



STATE BOARD OF EQUALIZATION

November 6, 1964

Mr. J--- R. R---
L---'s Donut Shop
XXXXXX --- --- Boulevard
--- ---, California

-- - XXXXXX

Dear Mr. R---:

This is in reply to your letter of October 16 in which you inquire about the application of the Sales and Use Tax Law as it affects a doughnut shop.

The drawing of your location in the shopping center implies that the parking area is for the general use of the patrons of the shopping center as a whole and are not provided primarily for the use of you patrons in consuming the products purchased at your shop. If such is the case, your business would not be held to be a "drive-in." Accordingly, you would not be so strictly held to the complete and detailed record requirements of General Business Taxes Bulletin 64-4 (copy enclosed). So long as you are collecting the tax on the doughnuts eaten on your premises and at your patio tables, the sales tax would not apply to doughnuts sold in bulk quantities, and a signed statement by the purchasers of bulk doughnuts is not necessary.

If you have any further questions, please do not hesitate to write to us again.

Very truly yours,

E. H. Stetson
Tax Counsel

By _____
Philip R. Dougherty

PRD:md

Enclosure